

REMARKS

This paper is being provided in response to the Final Office Action dated April 13, 2010, for the above-captioned patent application and accompanies a Request for Continued Examination (RCE) filed herewith. In this response, Applicants have cancelled claims 23 and 25 (claims 2, 3 and 24 having been previously cancelled) without prejudice or disclaimer of the subject matter thereof, and amended claims 1, 4-9, 22 26, 27 and 32-37 and added new claims 44-48 to clarify that which Applicants consider to be the presently-claimed invention. Applicants respectfully submit that the amendments to the claims and the new claims are fully supported by the originally-filed specification, consistent with the discussion herein.

The rejection of claims 1, 4-23 and 25-43 under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,970,850 to Freeny, Jr. (hereinafter "Freeny") in view of U.S. Patent No. 6,424,706 to Katz (hereinafter "Katz") is hereby traversed and reconsideration is respectfully requested in view of the amendments to the claims contained herein. As noted above, claims 23 and 25 have been cancelled herein.

Independent claim 1, as amended herein, recites a network enabled online transaction risk management system. At least one financial services server is provided for processing a financial transaction request received over said network for at least one customer account, wherein customer preferences for said at least one customer account are remotely configurable over said network. At least one client is in processing communications with said at least one financial services server over said network, wherein the at least one client includes a section for remote configuration of said at least one customer account using the customer preferences. At least one

point of sales terminal in processing communications with said at least one financial services server, wherein the at least one point of sales terminal includes a section for performing said financial transaction with said financial services server. A notification section sends a notification to the at least one customer if a characteristic of the financial transaction exceeds a first preference of the customer preferences. An authorization section sends an authorization request to said at least one customer if the characteristic of said financial transaction exceeds a second preference of said customer preferences, wherein the financial transaction is not completed unless a response to the authorization request is received. Claims 4-22 depend directly or indirectly from independent claim 1.

Independent claim 26, as amended herein, recites a method for reducing financial transaction risk. The method includes establishing networking communications between a client and a financial services server by at least one customer, wherein said financial services server is in processing communications with at least one point of sale terminal. An account is accessed on said financial services server owned by said at least one customer. Customer preferences are entered, wherein the customer preferences are remotely configurable over a network. A characteristic of a financial transaction received from said at least one point of sales terminal is compared to said customer preferences. A notification is sent to said at least one customer if said financial transaction characteristic exceeds a first preference of said customer preferences. An authorization request is sent requesting authorization of said at least one customer if said financial transaction characteristic exceeds a second preference of said customer preferences, wherein the financial transaction is not completed unless a response to the authorization request is received. Claims 27-43 depend directly or indirectly from independent claim 26.

Freeny discloses a proximity service provider system (PPS) for providing proximity services. The system comprises a plurality of proximity service systems 3 (e.g., POS stations, ATMs, gas pumps etc.) users 15, owners 10, maintenance operators 20, financial services 40 and a PSPS website 30. The users 15, owners 10, operators 20, financial services 40 and proximity service systems 3 are connected to a communications network through which they may access the PSPS website 30. (Fig. 1, col. 10, lines 1-47). Once a user 15 is granted access to PSPS website 30, the user 15 can access their proximity service data, service payment choices and require reports from their private database (col. 12, lines 33-45). The user 15 can put limits on their account, and the user's card associated with the account becomes invalid when received services exceed predetermined amounts. The Office Action (page 2) indicates that Freeny does not disclose features of customer preferences including notification and authorization methods and in which an authorization request is sent to at least one customer if a characteristic of the financial transaction exceeds the customer preferences.

Katz discloses a method for transferring a value associated with a pre-purchased amount of telecommunication time (and other uses) for redemption. The Office Action cites to Katz in connection with features noted above as missing in Freeny, citing specifically to col. 17, lines 59-67 and col. 18, lines 1-21 and Fig. 4A as disclosing steps for a caller to enter a number of unit-minutes for transfer and a check of entered minutes against a translation limit table. If the amount exceeds the transaction limit table amounts, the caller is returned to the main menu.

Applicants have amended the claims herein to clarify feature involving notification and authentication of financial transactions according to specified customer preferences. Specifically, Applicants recite at least the features of sending a notification to said at least one customer if said financial transaction characteristic exceeds a first preference of said customer preferences; and sending an authorization request requesting authorization of said at least one customer if said financial transaction characteristic exceeds a second preference of said customer preferences, wherein the financial transaction is not completed unless a response to the authorization request is received. The recited system provides for a customer to set preferences, that are remotely configurable over a network, in which the customer may be notified (via the sending of a notification) automatically if a first preference (e.g., a transaction limit) is exceeded and may be automatically sent an authorization request if a second preference (e.g., an authorization limit) is exceeded, wherein the financial transaction is not completed unless a response to the authorization request is received. As noted in further depending claims, additional preferences are also possible, including for example, a third preference that includes an account suspending limit. The recited system advantageously reduces financial risk and may flexibly alert a customer to fraudulent transactions in the event that the customer's account is compromised and/or provide a customer with greater control over financial transactions. (See, e.g., page 2, lines 18-25 and page 3, lines 26-35 of the originally-filed specification.)

Applicants respectfully submit that the cited prior art references do not teach or fairly suggest at least the above-noted features as recited by Applicants. As discussed in the Office Action (page 2), Freeny does not disclose features involving notification sending notification or authorization requests to a customer in connection with financial transaction characteristics and

exceeding customer preferences. The Office Action (page 3) then cites to disclose in Katz for a caller to transfer unit-minutes, in which a caller is requested to enter a number of unit-minutes to transfer, which is checked against a number of minutes of a transaction limit table and, if the amount exceeds the transaction limit table, the call is returned to the main menu step. (See col. 17, lines 59-67 and col. 18, lines 1-21 of Katz.)

Applicants submit, however, that Katz does not disclose the presently-recited features of Applicants' claimed invention which provides for use of multiple customer preference levels that determine the sending of a notification to the customer or the sending of an authorization request to the customer that requires a response from the customer in order for the transaction to be completed. Applicants recite features involving first and second preferences of entered customer preferences, against which a characteristic of the financial transaction is compared to determine the sending of notifications or authorizations requests to the customer. Specifically, Applicants' recite at least the features of sending a notification to said at least one customer if said financial transaction characteristic exceeds a first preference of said customer preferences; and sending an authorization request requesting authorization of said at least one customer if said financial transaction characteristic exceeds a second preference of said customer preferences, wherein the financial transaction is not completed unless a response to the authorization request is received. Accordingly, a customer may be notified if a first preference (e.g., transaction limit) is exceeded and may be automatically requested to respond to an authorization request if a second preference (e.g., authorization limit) is exceeded in order for the transaction to be completed. Additionally, the customer's account may be suspended if a third preference (e.g., an account suspension limit)

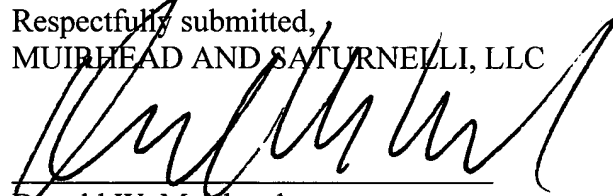
is exceeded. The customer preferences may include single transactions and/or cumulative transactions.

In contrast, Katz's described transaction in which a caller enters unit-minutes for transfer that are checked against a transaction limit table and returned to a main menu if the unit-minutes for transfer exceeds an amount in the transaction limit table does not provide for the multiple levels of customer preference comparisons to a characteristic of the financial transaction to provide for different operations of notification and/or authorization (that requires a response to an authorization request) in connection with financial transactions, like that recited by Applicants. Accordingly, Freeny and Katz, taken alone or in any combination, do not teach or fairly suggest at least the above-noted features as recited by Applicants. In view of the above, Applicants respectfully request that the rejection be reconsidered and withdrawn.

Further, Applicants have added new claims 44-48 and submit that these claims are also patentable over the cited art consistent with the above-noted remarks. For support in the specification, Applicants refer, for example, to page 4, lines 27-32 and page 6, lines 12-16 of the originally-filed specification.

Based on the above, Applicants respectfully request that the Examiner reconsider and withdraw all outstanding rejections and objections. Favorable consideration and allowance are earnestly solicited. Should there be any questions after reviewing this paper, the Examiner is invited to contact the undersigned at 508-898-8603.

Respectfully submitted,
MUIRHEAD AND SATURNELLI, LLC



Donald W. Muirhead
Registration No. 33,978

Date: September 13, 2010

Muirhead and Saturnelli, LLC
200 Friberg Parkway, Suite 1001
Westborough, MA 01581
Phone: (508) 898-8601
Fax: (508) 898-8602